722 North Broadway Floor 13 Milwaukee, WI 53202

Phone: 414.270.5933

Scott A. Jansen
Director Regulatory Finance





August 30, 2002

Mr. David Albino
Administrator, Telecommunications Division
Public Service Commission of Wisconsin
P.O. Box 7854
610 N. Whitney Way
Madison, WI 53707-7854

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TELECOMPOSICATIONS DIVISON

Re: September 1, 2002 Annual Price Cap Filing

Docket 6720-TI-174

Dear Mr. Albino:

Ameritech Wisconsin elected price cap regulation on September 1, 1994. The annual filing requirements for price-regulated telecommunications utilities are defined in Section 196.196 of the Wisconsin Statutes, and in Chapter PSC 163 of the Wisconsin Administrative Code. The enclosed documents and attachments constitute the eighth ("Year 8") price cap filing required of Ameritech Wisconsin and are being submitted to the Public Service Commission of Wisconsin for consideration:

Price Regulated Revenue Summary: The revenue information for Ameritech Wisconsin reported in Attachment A covers the period from July 2001 through June 2002. Consistent with Section 196.01 (1g) and 196.196 (1)(a)(1) of the Wisconsin Statutes, the access line, local usage and non-recurring installation revenues for primary residence lines and small business lines for customers with no more than 3 access lines are included in the revenue summary. The revenues associated with the residence optional calling plans (Local Saver Pack 200, Local Saver Pack 400 and Local Saver Pack Unlimited) and Solution packages (Economy Solution, Sensible Solution and Complete Solution) are not included in the revenue summary.

As competition continues to increase in the local marketplace, consumers within the Ameritech Wisconsin service areas are increasingly free to choose from a variety of wireline, wireless, or cable telephony local service providers. Ameritech Wisconsin began to offer alternative rate structures, such as optional local calling plans and Solution packages, in October 2001 in response to competition and the consumer's demand for choice. Notwithstanding these new options, residential customers may still choose the preexisting rate structure, consisting of the access line and local message rated service, from Ameritech Wisconsin as their basic local exchange service. This preexisting rate structure has been included with the provisioning of basic local exchange service since before Ameritech Wisconsin elected price regulation. With the introduction of Local Saver Packs, residential customers are now able to select an optional calling plan other than message rated basic local exchange service. Since the Local Saver Packs are a discretionary/optional service and rate structure, the revenues derived from the sale of these optional calling plans are not included in the revenue summary.

In addition to the Local Saver Packs, Ameritech Wisconsin also began to offer service packages to residential customers in October 2001. Each of the Solution packages includes an access line and one of the Local Saver Pack optional calling plans. Each package also includes a set of discretionary services. Each Solutions package bears a single price for the entire bundle of services. Solution packages are another discretionary/optional service and alternative rate structure for the residential customer. Revenues from the sale of the Solution packages are therefore not included in the revenue summary.

When compared to the data provided in last year's Annual Price Cap filing, the revenue summary clearly shows that primary residence and small business access line losses continue in the local marketplace served by Ameritech Wisconsin. The 2001 primary residence access lines were down 3.6% from the prior year, while small business access lines were down 13.5%. Likewise, the 2001 local usage volumes were down from the prior year demand results for both customer segments (7.7% for primary residence customers and 21.6% for small business customers). There are additional data sources that support the competitive nature of local telecommunication services and provide a more in depth analysis of the local marketplace.

While customers can save money and take advantage of additional discretionary services by choosing optional calling plans or Solution packages, customers who choose the preexisting access line and local message rate structure as basic local exchange service also realize savings. Since Ameritech Wisconsin elected price regulation eight years ago, the retail rates for an access line and local messages have actually decreased for many customers. The historical rate information in **Attachment A-1** demonstrates that many residential rates have decreased since 1994. In addition, the 1994 access line rate was reduced by 10% (from \$6.00 to \$5.40) as a condition of Ameritech Wisconsin electing price regulation. When applying the historical access line and local message rates to a variety of calling volumes, many residential customers save money when comparing the 1994 and 2002 rates as shown in **Attachment A-2**. Savings would range from 1.3% to 5.35% per month for customers who make between 80 and 200 local calls.

Quality of Service Summary: Ameritech Wisconsin's service quality performance results reported in Attachment B cover the period from January 2001 through December 2001. The company results conform to the service quality categories established in Chapter PSC 163.04(2)(c)(a-g) of the Wisconsin Administrative Code and the service quality industry-wide and 3-year company benchmarks established in dockets 05-TI-348 and 6720-TI-171, respectively. Ameritech Wisconsin has assumed that all service quality measures are equally important and that the total service quality penalty (1.6%) should therefore be applied equally to each of the service quality components.

Attachment B-1 includes the average rate of customer trouble reports by exchange for the period from January 2001 through December 2001. This measure compares trouble reports to access line counts within each Wisconsin exchange served by Ameritech Wisconsin as set forth in Docket 05-TI-248.

The chart in **Attachment B-2** shows the average time out-of-service performance improvements achieved by Ameritech Wisconsin since the second quarter of 2000. Service quality performance continued to improve each quarter during 2001. Company performance for the 4th quarter of 2001, as well as the 1st and 2nd quarters of 2002, exceeds both the industry-wide and 3-year average standards for 2001. The chart in **Attachment B-3** shows the percentage of customers out-of-service less than 24 hours. This chart again shows the performance improvements realized since 2000. The improvements have been sustained into 2002, where current year performance in this category exceeds the 2001 industry-wide standard for clearing 95% of the routine out-of-service troubles within 24 hours.

The infrastructure investments, work force additions, training programs, process improvements and customer credit program implemented by Ameritech Wisconsin have dramatically improved service quality performance. The year over year out-of-service performance comparisons in the attachments illustrate that these improvements have further influenced service performance in 2002. Finally, the customer credit program ensures that residential and business customers are compensated whenever Ameritech Wisconsin misses a scheduled appointment or when the out-of-service (>36 hours) or installation (>5 business days) standards are not met.

Infrastructure Investment Components: The company's infrastructure investment performance results reported in Attachment C cover the period from January 2001 through December 2001. All performance target objectives were met or exceeded for 2001. The 2001 performance targets set in Docket 6720-TI-162 required the deployment of new technologies and applications, the placing of additional fiber in the loop, and deploying new interoffice routes. Certain wire centers were also designated for infrastructure improvements. The achievement of all 2001 infrastructure performance standards will benefit both retail and wholesale customers.

Ameritech Wisconsin also invested over \$370 million during 2001 into the telecommunications network and capitalized asset infrastructure. This represents a 13.5% increase in capital expenditures over the previous year. Furthermore, this increase in network investment continued while the 2001 gross operating revenues decreased by \$57M. Ameritech Wisconsin is committed to building out the network and deploying new technologies to meet and exceed customer expectations. Since January 1995, Ameritech Wisconsin has invested over \$1.7 billion in the telecommunications network in Wisconsin.

- ➤ Wisconsin Advanced Telecommunications Foundation (WATF): This performance measure was eliminated for 2001 as noted in Docket 6720-TI-171 and on Attachment D in this filing. Ameritech Wisconsin did complete all previously established contribution standards and commitments prior to the dissolution of WATF.
- Evidence for Discretionary Penalty or Incentive: As stated in Chapter PSC 163.04(2)(f)(1) of the Wisconsin Administrative Code, the Commission may consider certain factors when evaluating any discretionary penalty or incentive adjustments to the productivity offset. Attachment E summarizes key accomplishments of Ameritech Wisconsin during calendar year 2001 that should be considered by the Public Service Commission of Wisconsin.
- Productivity Offset and GDPPI: Per the rate set in Wisconsin Statute 196.196 (1)(c), Ameritech Wisconsin has assumed a 3% Productivity Offset factor for this year's filing. Per the posted GDPPI Chain-Type index for the 2nd quarter 2002, Ameritech Wisconsin has assumed a 1.04% change for this year's filing. The difference between these two components of the price cap formula is 1.96%, which represents the single largest difference between the assumed productivity offset factor and the general inflation factor in Wisconsin price regulation history. This difference almost negates to the entire set of performance incentives (2%) available to a price regulated telecommunications utility under the current formula. Ameritech Wisconsin therefore requests that the Commission consider the impact of these factors, which are outside the control of the company, upon the annual change in the Price Cap Index (PCI) before rendering a final decision.

Price Cap Component Summary: The 2001 Price Cap Index penalties and incentives have been summarized in Attachment F. The Commission Discretion component is not known at the time of this filing.

Section 196.196 (5c) of the Wisconsin Statutes also requires each price-regulated telecommunications utility to file a progress report relating to the utility's investment in and deployment of infrastructure enhancements, and data relative to the utility's operating and financial performance during the reporting period. The current year Construction Plan was filed with the Commission in March 2002. Ameritech Wisconsin filed the "2001 Regulatory Financial Reports" as ordered in Docket 6720-TI-109 and the "2001 Annual Report of Wisconsin Bell" as required for all Incumbent Local Exchange Carriers (ILECs) in Wisconsin on April 4, 2002.

Additional questions pertaining to the information contained in the eighth annual Price Cap Filing may be referred to me at (414) 270-5933.

Respectfully submitted,

Scott Jansen

Ameritech Wisconsin

Director - Regulatory Finance

Attachments

AMERITECH WISCONSIN September 1, 2002 Annual Price Cap Filing

for July 2001 - June 2002 Price Cap Revenue Docket 6720-TI-174 Price Regulated Revenue Summary

Residence Revenue

	# Residential	Current Line Rate	Price Cap	Tariff
(1) Residence Access Lines*:	Access Lines	(excinding IEACH)	Hevenue	Hererence
Rate Group A	5,365,071	\$6.07	\$32,565,981	4-1.05
Rate Group B	4,710,421	\$6.07	\$28,592,255	4-1.05
Rate Group C	3,418,599	\$6.07	\$20,750,896	4-1.05
Total	13,494,091		\$81,909,132	4-1.05
Total UAC Access Lines Credit	622,890	(\$2.33)	(\$1,451,334)	
Exclusion of Access lines bundled in packages	884,605	(\$6.07)	(\$5,369,552)	
Total Residence Access Line Revenue	11,986,596		\$75,088,246	
(1a) Primary Residence Line Initial Installation Non-	# of Charged		Price Cap	Tariff
Recurring charges:	Items	Tariff Rate	Revenue	Reference
Initial Service Order Charge	152,020	\$25.00	\$3,800,500	3-1.1.E.1.a
Central Office Line Connection Charge	157,828	See Note 1	\$4,734,190	3-1.1.E.1.a
NOTE (1): Part 3, Section 1.E.1 sets rates for residence central office line charge at \$30.00. Additional charges are applied for night and weekends.	309,848		\$8,534,690	
	# Residential		Price Cap	Tariff
(2) Residence Local Calls	Local Calls	Tariff Rate	Revenue	Reference
1-60 Messages	653,495,060	\$0.05	\$32,674,753	4-2.6
61-150 Messages	586,185,371	\$0.04	\$23,447,415	4-2.6
151-300 Messages	429,223,293	\$0.04	\$17,168,932	4-2.6
301-400 Messages	125,921,484	\$0.03	\$3,777,645	4-2.6
401-1200 Messages	191,406,413	\$0.02	\$3,828,128	4-2.6
1200+ Messages	14,088,861	\$0.04	\$563,554	4-2.6
Total Residence Local Call Revenue	2,000,320,482		\$81,460,427	
NOTE (1): Residence local calls do not include Local Saver Pack or messages from customers with "packaged" offerings.				
			Price Cap	

8/30/05

Revenue

Tariff Rate

ECC MOU

(3) Extended Community Calling Minutes

AMERITECH WISCONSIN September 1, 2002 Annual Price Cap Filing for July 2001 - June 2002 Price Cap Revenue Docket 6720-TI-174

Price Regulated Revenue Summary

\$11,607,423	\$176,690,786
\$0.043	
269,940,062	
Residence	Total Residence Revenue

4-2.07

Business Revenue	# Business		Price Cap	
(4) Business Access Lines **	Access Lines	Tariff Rate	Revenue	Reference
Rate Group A	399,570	\$15.00	\$5,993,550	•
Rate Group B	315,780	\$15.00	\$4,736,700	
Rate Group C	320,524	\$15.00	\$4,807,860	
Total Business Access Line Revenue	1,035,874		\$15,538,110	
(5) Business Line Initial Installation Non-Recurring	# of Charged	1 3	Price Cap	
charges:	Items	Tariff Rate	Revenue	
Initial Service Order Charge	10,764	\$44.00	\$473,616	3-1.1.E.1.a
Central Office Line Connection Charge	13,532	See Note 2	\$279,436	
	24,296		\$753,052	
NOTE (2): Part 3, Section 1.E.1 sets rates for central office line				
Weekends.				

AMERITECH WISCONSIN

September 1, 2002 Annual Price Cap Filing for July 2001 - June 2002 Price Cap Revenue Docket 6720-TI-174

Price Regulated Revenue Summary

	# Business				
(6) Business Service Local Message Packages and Local	Local		Price Cap	Tariff	
Messages	Messages	Tariff Rate	Revenue	Reference	
75 Business Local Message Package	735,248	\$6.00	\$4,411,488	4-2.11	
75 Business Local Messages (Additional)	89,276,785	\$0.08	\$7,142,143	4-2.11	
Zero Business Local Message Package	27,418,192	\$0.09	\$2,467,637	4-2.11	
Total Business Local Message Revenue	117,430,225		\$14,021,268		
(7) Extended Community Calling Minutes	#ECC MOII	Tariff Rate	Price Cap		
Business	20.786.599	\$0.050	\$1 039 330	4-2.12	
Total ECC Revenue			\$1,039,330	! i	
Total Business Revenue			\$31,351,760		
Grand Total Residence and Business Revenues			\$208,042,546		

* Residence primary lines only

^{**} Business customers with less than 4 access lines

Wisconsin Bell, d/b/a/ Ameritech Wisconsin September 1, 2002 Annual Price Cap Filing Docket 6720-TI-174

Price Regulated Services Historical Rate Schedule

	199	6 Rates	199	7 Rates	19	98 Rates	19	99 Rates	20	00 Rates	200	01 Rates	200	2 Rates
Service Description	95 F	iling (1)	96	Filing (2)	97	Filing (3)	98	Filing (4)	99	Filing (5)	00	Filing (6)	01	Filing (7)
(1) Residence Access Lines:														
Rate Group A	\$	5.40	\$	5.40	\$	5.40	\$	5.75	\$	6.07	\$	6.07	\$	6.07
Rate Group B	\$	5.40	\$	5.40	\$	5.40	\$	5.75	\$	6.07	\$	6.07	\$	6.07
Rate Group C	\$	5.40	\$	5.40	\$	5.40	\$	5.75	\$	6.07	\$	6.07	\$	6.07
(2) Residence Local Calls								-		***				
1-60 Messages	\$	0.06	\$	0.06	\$	0.06	\$	0.05	\$	0.05	\$	0.05	\$	0.05
61-150 Messages	\$	0.05	\$	0.05	\$	0.05	\$	0.05	\$	0.04	\$	0.04	\$	0.04
151-300 Messages	\$	0.04	\$	0.04	\$	0.04	\$	0.04	\$	0.04	\$	0.04	\$	0.04
301-400 Messages	\$	0.03	\$	0.03	\$	0.03	\$	0.03	\$	0.03	\$	0.03	\$	0.03
401-1200 Messages	\$	0.02	\$	0.02	\$	0.02	\$	0.02	\$	0.02	\$	0.02	\$	0.02
1200+ Messages	\$	0.05	\$	0.05	\$	0.05	\$	0.05	\$	0.05	\$	0.05	\$	0.04
(3) Extended Community Calling Minutes														
Residence	\$	0.05	\$	0.05	\$	0.05	\$	0.05	\$	0.05	\$	0.043	\$	0.043
(4) Business Access Lines														
Rate Group A	\$	14.85	\$	14.85	\$	14.85	\$	14.85	\$	14.85	\$	14.85	\$	15.00
Rate Group B	\$	14.85	\$	14.85	\$	14.85	\$	14.85	\$	14.85	\$	14.85	\$	15.00
Rate Group C	\$	14.85	\$	14.85	\$	14.85	\$	14.85	\$	14.85	\$	14.85	\$	15.00
(5) Business Service Local Message Packages and Local					-						ļ			
Messages														
75 Business Local Message Package - UPP07	\$	6.00	\$	6.00	\$	6.00	\$	6.00	\$	6.00	\$	6.00	\$	6.00
75 Business Local Messages (Additional) - UPP07	\$	0.08	\$	0.08	\$	0.08	\$	0.08	\$	0.08	\$	0.08	\$	0.08
Zero Business Local Message Package - UPP03	\$	0.09	\$	0.09	\$	0.09	\$	0.09	\$	0.09	\$	0.09	\$	0.09
(6) Extended Community Calling Minutes														
Business	\$	0.05	\$	0.05	\$	0.05	\$	0.05	\$	0.05	\$	0.05	\$	0.05
General Notes:														
Wisconsin Bell, Inc., (d/b/a/ Ameritech Wisconsin) elected price	regula	tion unde	r § 19	6.196(1),	Stats	s., effective	on	9/1/94.						
Per § 196.196(1), Stats., during the first three years after a util	ity's initi	al price-re	egulat	ed rates t	ake e	effect, the c	nly:	service spe	cified	l by				
§ 196.196(1)(c), Stats., for which prices may be increased is be	asic Me	ssage Te	lecom	municatio	ns S	ervice (MT	S).							
For the 1995 and 1996 filings, the only service for which price i	ncrease	s were a	pplica	ble was b	asic	MTS.								
In July 1995, Ameritech Wisconsin petitioned the PSC to suspe	end app	lication of	f § 19	6.196(1),	Stats	., with resp	ect	to basic MT	S on	the basis	that e	effective		
competition existed in the relevant market. In December 1996	, the PS	C ordere	d that	basic MT	S be	removed for	rom	price regula	ation	restriction	s (Do	cket 6720-	-TI-11	3).
Specific Notes:														
(1) MTS rates reduced by .06 percent (\$74,820).														
(2) No change in MTS rates ordered since net result of price ca	ap formi	ıla was a	de m	inimis MT	S rev	enue reduc	ction	of less tha	n \$5	0,000.				
(3) No rate reduction ordered.														
(4) Rate reduction of 1.02 percent ordered (\$2,475,060).														
(5) Rate reduction of .77 percent ordered (\$1,730,699).														
(6) Rate reduction of .78 percent ordered (\$1,721,468).														
(7) Rate reduction of .02 percent ordered (\$43,600).											1			

ATT A-1 Rate History.xls 8/30/02

Ameritech Wisconsin 2002 Price Cap Filing - Docket 6720-TI-174 Residential Price Comparision of 1994 and 2002 Access Line and Message Rates

Service	1994 Rate Structure	1994 Access Line plus Message Rate	2002 Rate Structure	2002 Access Line plus Message Rate	2002 % Savings
Access Line	\$5.40		\$6.07		
80 messages	\$4.60	\$10.00	\$3.80	\$9.87	1.30%
100 messages	\$5.60	\$11.00	\$4.60	\$10.67	3.00%
120 messages	\$6.60	\$12.00	\$5.40	\$11.47	4.42%
140 messages	\$7.60	\$13.00	\$6.20	\$12.27	2.62%
160 messages	\$8.50	\$13.90	\$7.00	\$13.07	2.97%
180 messages	\$9.30	\$14.70	\$7.80	\$13.87	2.65%
200 messages	\$10.10	\$15.50	\$8.60	\$14.67	5.35%

Wisconsin Statute 196.196 (1)(c), i.e. the 1996 rates in Attachment A-1 were the 1994 rates for each price regulated service. Note (2): Access line rates were reduced from \$6.00 to \$5.40 (10% reduction) as required for telecommunications utilities electing price regulation. Customer savings would therefore be greater if the \$6.00 access line rate were used in the comparison. Note (1): Refer to Attachment A-1 for individual rates for each year. The 1994 rates were frozen for 3 years as required by

AMERITECH WISCONSIN September 1, 2002 Annual Price Cap Filing Docket 6720-TI-174

		Quality of	Quality of Service Components	ints		
Item	Component*	2001 Actual	Industry-Wide Standard ¹	3-Year Average Performance ²	3-Year Average Performance Range (3-Year Avg +/- 10%) ²	Price Cap Index Penalty (-)³
-	Average Time Interval for Installation (Days)	2.23	2.27	1.2	1.08 - 1.32	-0.11%
8	Trouble Reports per 100 Access Lines Exchanges with more than 5 troubles per 100 lines for at least 10 months	14.66	20.00	13.97	12.57-15.37	%00.0
ю	Average Time Out of Service (hours) Months with 95 or more percent of routine out-of-service troubles cleared within 24 hours	17.63 0 w/o switch 3 w/switch	14.05 >=10	14.13	12.72 - 15.54	-0.23%
4	Percent Repeat Trouble Reports	29.04%	14.86%	12.48%	11.23-13.73	-0.23%
ro.	Average Employee Answer Time for Repair Calls (seconds)	7.80	20.00	13.94	12.55-15.34	%00.0
ဖ	Average Answer Time for Business Office Calls (seconds)	54.93	60.00	93.7	84.33-103.07 ⁴	%00.0
_	Final Trunk Group Blockage Results % of calls free from "all trunks busy" condition in 3 or more consecutive months)	100	%162.66	100%	90-100%	%00.0
				Total Price Cap Index Penalty (-)	ex Penalty (-)	-0.57%

¹ In accordance with Docket 05-TI-348 (Appendix B), Letter Order issued June 28, 2001.

² In accordance with Docket 6720-TI-171 order (Appendix F) issued October 1, 2001.

³ Assumes 1.6% service quality penalty factor equally distributed across 7 components as defined in Docket 1-AC-189 issued January 25, 2002 (revisions to WI adminstrative Code Chapter 163).

⁴ The 3-year averages for these components were intially set in Docket 6720-TI-162 issued Ocotober 31, 2000.

Ameritech Wisconsin September 1, 2002 Annual Price Cap Filing Docket 6720-TI-174

Attachment B-1 Page 1 of 3

Average Rate of Customer Trouble Reports by Exchange

															į				
	Jan-01	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Oct-01	Nov-01	Dec-01			≝	M = Missed	·		1 1
Tariffed Exchange Name	Tot Reg Troubles per 100 Access Lines	Feb-01 Jan-01	Apr-01 Mar-01	May-01	Jul-01 Jun-01	Aug-01	Oct-01 Sep-01	Nov-01											
ALGOMA	1.09	0.79	0.91	1.67	1.22	1.07	1.32	1.45	1.21	0.87	0.81	06:0			╅┈	╂		╂	ļ
APPLETON	1.11	0.82	0.98	1.23	1.38	2.56	1.32	1.45	1.23	1.09	0.91	0.95			_				ļ
BEAVER DAM	1.23	1.20	0.85	1.64	1.39	2.43	1.33	2.65	1.42	1.15	0.89	1.00				-			ļ
BELOIT	1.44	3.85	1.59	1.96	1.76	2.56	2.04	2.31	2.32	2.86	2.15	1.18							ļ
BIG BEND	3.16	2.09	2.19	3.45	2.90	4.09	2.94	2.85	3.29	2.97	3.01	2.74							
BURLINGTON	1.27	1.51	1.14	1.22	1.44	1.28	1.14	1.63	1.13	1.37	1.79	2.08							
BURNETT	2.93	1.76	1.47	3.22	5.06	3.25	3.86	5.03	1.76	0.88	2.63	3.20			\vdash		Σ		
CALEDONIA	3.05	3.62	2.78	3.46	3.61	4.00	2.93	3.18	2.94	2.59	1.70	2.04							
CEDARBURG	1.53	1.88	2.17	1.62	1.62	2.71	1.65	2.14	2.16	1.58	1.40	1.08							
CHIPPEWA FALLS	0.98	0.70	1.03	1.26	1.28	2.08	1.92	1.98	1.10	1.21	96.0	0.87							_
COLUMBUS	1.59	2.02	1.67	2.26	5.06	3.59	2.57	3.98	2.26	2.39	1.39	1.07						-	
DE PERE	1.06	0.84	1.27	1.06	1.24	1.37	1.71	1.88	1.53	1.28	1.09	1.15						-	_
DELAVAN	1.29	1.89	1.37	1.49	1.97	1.75	2.02	1.69	1.66	1.62	1.44	1.09						-	
EAU CLAIRE	0.66	0.67	0.70	1.02	96.0	1.17	1.10	1.09	0.94	0.86	0.83	0.59							
ELLSWORTH	1.53	1.50	2.27	3.58	3.15	7.66	3.10	2.86	2.90	2.42	1.88	1.66			_	Σ			
EVANSVILLE	1.97	2.40	1.45	1.93	1.75	2.11	1.49	2.10	2.53	2.05	1.65	1.12							
FOND DU LAC	1.06	0.98	1.15	1.44	1.33	1.81	2.14	1.67	1.24	1.18	0.98	0.94							
FORT ATKINSON	0.92	1.34	1.07	1.23	1.38	1.51	1.69	1.7.1	1.58	1.51	06:0	0.77							
GENOA CITY	1.47	2.22	1.51	1.62	1.74	2.94	2.28	2.50	2.13	2.10	1.62	1.41							_
GREEN BAY	0.72	0.75	1.05	1.07	1.07	1.20	1.17	1.52	1.23	1.08	1.75	0.93						-	
HARTFORD	1.25	1.03	1.26	1.24	1.39	1.59	1.39	2.16	2.83	1.61	0.86	3.53							
HARTLAND	1.11	1.36	0.99	1.18	1.84	1.24	1.28	1.28	1.53	1.25	1.12	0.96							
HORICON	1.18	2.18	1.55	1.69	1.41	2.46	1.71	1.36	1.61	1.59	1.20	1.49							
HORTONVILLE	1.10	0.94	06.0	2.96	0.97	2.94	1.56	1.88	1.38	0.72	0.97	0.63							
HOULTON	1.05	1.24	0.87	2.47	1.29	4.96	1.66	2.13	2.89	1.75	1.33	1.81							
HUBERTUS	1.82	1.75	1.39	2.27	2.38	3.33	2.29	2.52	2.35	2.30	1.58	2.08							
HUDSON	0.99	0.68	1.18	1.17	1.56	1.94	1.85	2.47	2.32	1.84	1.02	1.11							
JACKSON	1.61	1.75	1.20	1.54	2.56	2.43	1.33	1.74	1.98	1.70	0.99	1.40							
JANESVILLE	1.21	1.24	1.17	1.21	1.45	1.50	1.57	1.82	1.61	1.66	1.12	1.13							
JEFFERSON	1.09	1.13	1.17	1.26	1.16	0.92	0.98	1.33	1.09	1.62	0.70	1.05							
HINEAL	1.29	2.17	1.52	2.20	2.54	2.74	000	76.7	06 7	1 40	1 22	+	_	_	-	_		_	_

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Ameritech Wisconsin September 1, 2002 Annual Price Cap Filing Docket 6720-TI-174

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	Jan-01	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Oct-01	Nov-01	Dec-01		Ш	≝	M = Missed		
Tariffed Exchange Name	Tot Reg Troubles per 100 Access Lines	Tot Reg Troubles per 100 Access Lines	Tot Reg Troubles per 100 Access Lines	Tot Reg Troubles per 100 Access Linss	Tot Reg Troubles per 100 Access Lines	Feb-01 Jan-01	Apr-01 Mar-01	Jun-01 May-01	Jul-01	Sep-01 Aug-01	Nov-01 Oct-01							
KAUKAUNA	1.50	2.12	1.29	2.00	1.70	2.21	1.85	2.73	1.65	2.33	1.75	2.46			_		ļ	-
KENOSHA	1.93	1.66	1.32	1.40	1.52	1.99	2.30	1.73	1.73	1.70	2.17	1.19						
KEWAUNEE	1.15	1.12	1.14	1.17	1.86	0.94	1.25	2.40	1.09	1.05	0.79	1.38						_
LAKE GENEVA	1.32	1.86	1.24	1.65	1.69	2.13	2.11	1.90	2.02	1.77	1.20	1.97			-	-		
LITTLE CHUTE	1.15	1.24	1.10	1.26	1.28	1.61	1.43	1.42	14.1	1.32	1.03	96.0						
MADISON	0.78	0.81	0.79	0.87	0.89	1.2.1	1.01	1.92	1.29	1.11	0.74	0.69						
MANITOWOC	0.79	0.76	0.85	0.98	0.94	0.93	96:0	45.	0.92	96.0	0.85	0.99					ļ	
MAYVILLE	1.86	1.71	1.78	1.96	2.11	1.99	1.82	2.31	2.51	1.70	1.54	1.95						
MENOMONEE FALLS	1.07	1.09	1.13	1.40	1.25	1.63	1.7	1.48	1.50	1.82	1.36	1.80						
MENOMONIE	0.61	0.50	0.61	0.87	0.90	1.50	1.1	1.4.1	0.98	0.67	0.92	0.49						
MERTON	1.51	1.94	2.40	1.87	4.84	1.83	1.94	2.28	3.66	2.51	1.06	1.39						
MILWAUKEE	1.40	1.57	1.40	1.68	1.47	1.78	1.62	1.91	1.60	1.67	1.28	1.18						
MUSKEGO	1.63	1.81	1.75	1.95	1.92	2.25	1.92	2.28	2.39	2.02	1.36	1.26						
NEENAH	0.71	0.77	0.72	1.02	0.88	2.99	1.17	1.29	1.29	1.00	0.89	0.91						
NEW LONDON	0.76	0.70	0.81	1.36	1.41	2.07	66.0	1.31	1.51	1.38	0.70	1.02						
NEWBURG	4.65	1.95	1.59	2.64	1.55	2.21	2.01	2.64	3.11	1.95	2.04	1.34						
NORTH LAKE	0.94	0.97	1.77	2.10	5.47	4.45	2.66	3.06	4.1	1.76	1.74	2.40			Σ			
OCONOMOWOC	1.08	1.13	0.82	1.22	1.42	1.64	1.55	1.75	1.66	1.40	1.14	0.88						
OMRO	2.53	2.22	1.86	2.26	2.61	5.92	3.50	4.25	3.96	4.11	2.94	4.34			Σ	_		-
ОЅНКОЅН	96.0	1.05	1.08	1.38	2.04	5.83	1.58	2.31	1.43	1.30	1,11	1.16			Σ	~		
PARKSIDE	0.97	1.29	0.76	2.10	1.17	1.33	1.82	1.19	1.55	1.74	0.85	08.0						
PEWAUKEE	1.61	1.30	1.25	1.55	1.61	1.86	1.71	2.30	1.53	1.56	0.88	1.04						
PORT WASHINGTON	1.75	1.08	1.31	1.41	1.32	1.34	1.24	2.00	1.40	1.22	0.88	0.93						
RACINE	1.49	1.78	1.64	1.97	1.55	1.62	2.49	2.54	2.21	2.01	1.31	1.33						
RICHMOND	1.42	0.75	1.24	1.07	3.48	2.16	1.08	3.07	2.26	1.60	1.50	2.58						
RIVER FALLS	0.81	0.68	1.01	1.55	2.07	2.31	1.63	2.20	1.51	1.49	1.54	1.28						
ROBERTS	1.99	1.25	3.29	2.46	2.95	8.89	8.93	3.87	2.33	2.76	2.33	2.32			2	Σ		
SHEBOYGAN	0.81	0.75	0.70	0.88	0.71	0.81	0.73	1.20	0.65	0.74	0.65	0.82						
SHEBOYGAN FALLS	3.21	1.14	0.92	1.52	1.35	1.49	0.89	1.38	0.72	1.58	06'0	1.12						
SOMERS	2.94	6.79	2.32	2.96	3.39	2.21	2.35	3.91	3.45	2.30	2.67	3.47	Σ	_				
STEVENS POINT	0.97	0.66	0.81	1.65	1.68	2.93	1.90	1.71	1.48	1.54	0.90	0.99						

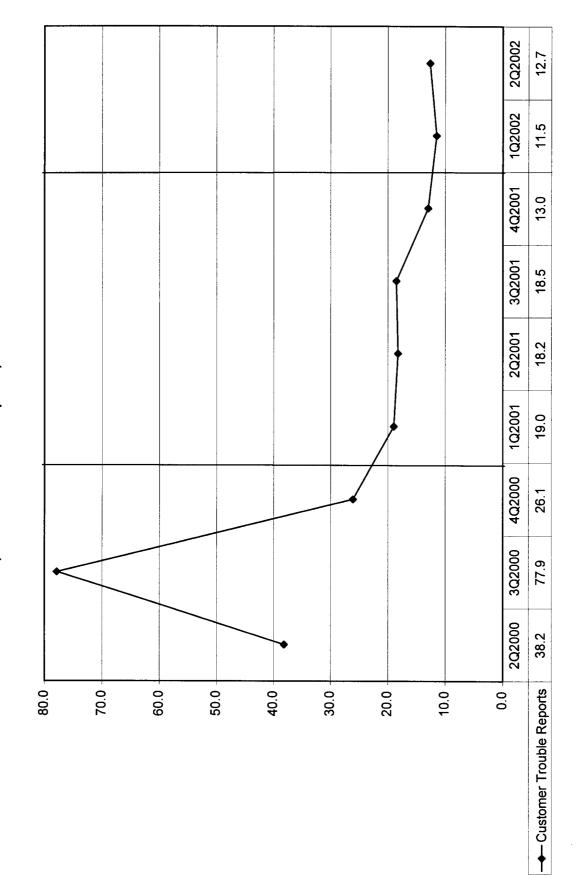
Ameritech Wisconsin September 1, 2002 Annual Price Cap Filing Docket 6720-TI-174

Average Rate of Customer Trouble Reports by Exchange

													Misse	MONTHLY MISSES Missed Standard for current month	 같	MIS	SES	\ \ <u>\</u> €	
	Jan-01	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Oct-01	Nov-01	Dec-01		Σ	M = Missed	pes			Г
Tariffed Exchange Name	Tot Reg Troubles per 100 Access Lines	Mar-01 Feb-01 Jan-01	May-01 Apr-01	Jul-01 Jun-01	Aug-01	Oct-01 Sep-01	Nov-01	Dec-01											
STOUGHTON	1.19	0.93	1.15	1.12	1.44	1.38	1.38	1.52	1.42	1.07	0.83	0.91			╁		▙		1
STURGEON BAY	0.71	0.65	0.61	1.12	1.19	1.04	0.89	1.41	1.26	1.08	99.0	0.71			-				ľ
SUSSEX	1.80	1.42	1.73	2.07	2.37	2.56	2.98	2.33	1.83	2.75	1.80	1.41			_		ļ		
THIENSVILLE	1.39	1.40	1.12	1.52	1.51	1.56	1.51	2.07	1.73	1.77	1.23	1.38			-				
UNION GROVE	2.39	2.38	2.09	2.15	2.43	2.75	2.98	3.46	2.70	2.29	1.85	2.30							
VAN DYNE	1.38	0.76	1.31	2.21	1.13	1.67	1.09	2.10	1.56	2.02	1.03	1.58			-				Γ.
WATERTOWN	0.98	1.01	1.34	2.76	1.33	1.74	1.81	1.95	1.34	1.56	1.02	1.14					_		
WAUKESHA	1.23	1.08	1.41	1.73	1.68	1.31	1.17	1.60	1.82	1.29	9.1	0.93							
WAUPACA	0.77	0.61	0.56	1.63	1.83	8.63	2.62	1.53	1.77	1.29	0.88	0.78			Σ				
WAUPUN	1.55	1.32	1.06	2.00	2.04	1.74	1.46	2.52	1.96	1.25	0.89	1.28					_		
WEST BEND	0.95	0.98	1.04	1.08	1.00	1.02	1.24	1.66	1.25	1.33	0.97	0.89							
WHITEWATER	0.67	0.90	0.71	0.85	1.00	96.0	1.00	1.14	1.34	1.22	0.95	0.77					-		
WILLIAMS BAY	2.52	0.94	0.98	1.23	1.73	2.34	1.93	1.66	1.94	1.61	0.85	0.81							_
WINNECONNE	1:1	1.30	1.30	2.55	2.67	9.64	2.11	3.36	2.73	2.52	1.89	2.38			Σ				
WRIGHTSTOWN	1.77	1.66	1.85	1.89	3.42	3.10	3.57	4.80	2.92	4.72	3.01	2.03							
Exchange Totals Met	77	76	11	77	92	71	92	9/	11	11	11	11	Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec	Apr May	ar ar	ynd s	5 6 8	<u>¥</u>	ž
Exchange Totals Missed	0	+	0	0	1	g	-	-	0	0	٥	٥							

AMERITECH WISCONSIN September 1, 2002 Annual Price Cap Filing Docket 6720-TI-174

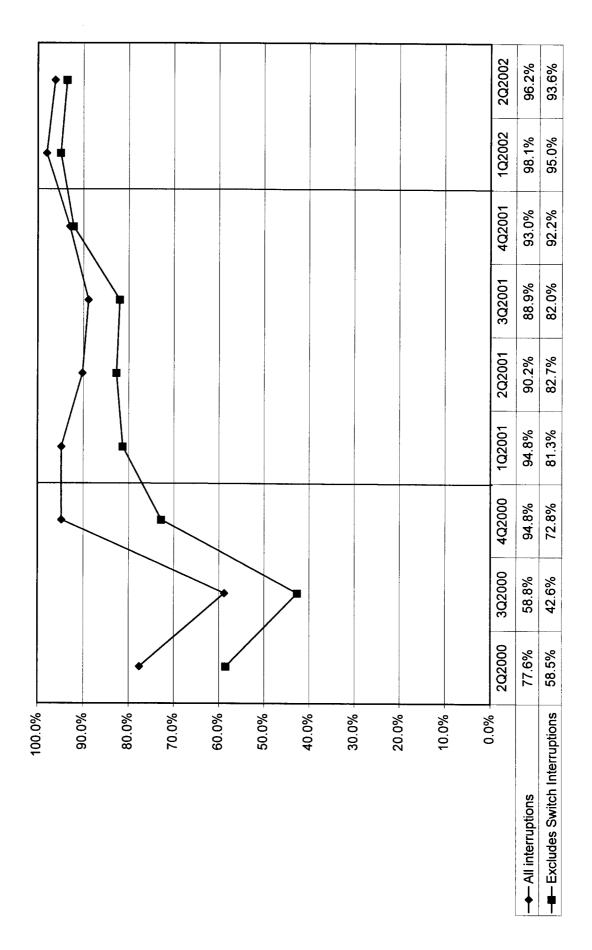
Average Time Out-of-service (Excludes Switch Interruptions)



8/30/02

AMERITECH WISCONSIN September 1, 2002 Annual Price Cap Filing Docket 6720-TI-174

% Out-of-service less than 24 hours



Attachment C

	Infrastruc	ture Investme	Infrastructure Investment Components	
				Price Cap Index * (Pro-rated)
		2001	Benchmark	Penalty (-)
Item	Component	Actual	Range ¹	Incentive (+)
	New Technologies	1	1 to 4	
-			(see footnote 2)	+0.20%
	New Applications	7	2 to 4	
			(see footnote 3)	
7	Service Improvement Capital			
	All Wire Centers	\$13,168,016	>\$3.3M min to \$4.4M total	
				+0.10%
	Target Wire Centers	\$6,818,938	>1.7M target exchs.	
			(see footnote 4)	
က	Fiber in the Loop	19.70%	19% to 23.5%	+0.00%
,	oction A multiple and a second	u	7 27 0	7007 0
		י	(see footnote 5)	0.04.04
က	Titan X-Connects	4	2 to 4	+0.40%
			c 1000 additional ports	
	Total Price Ca	Total Price Cap Index Penalty (-) / Incentive (+)	/ Incentive (+)	+1.10%

¹ In accordance with Docket 6720-TI-162 order (Appendix B) issued April 18, 2001.

² For more details see footnote 2 in Docket 6720-TI-162 order (Appendix B) issued April 18, 2001.

³ For more details see footnotes 3 and 4 in Docket 6720-TI-162 order (Appendix B) issued April 18, 2001.

⁴ For more details see footnotes 5 in Docket 6720-TI-162 order (Appendix B) issued April 18, 2001. 5 For more details see footnote 6 in Docket 6720-TI-162 order (Appendix B) issued April 18, 2001.

Ameritech Wisconsin September 1, 2002 Annual Price Cap Filing Docket 6720-TI-174

Wisconsin Advanced Telecommunications Foundation

Telecommunications Foundation (WATF) has dissolved and therefore this category As noted in docket 6720-TI-171, dated October 1, 2001, the Wisconsin Advanced is no longer applicable.

Ameritech Wisconsin September 1, 2002 Price Cap Filing Docket 6720-TI-174

Evidence for Discretionary Consideration regarding the 2001 Productivity Offset

SBC Ameritech Wisconsin submits the following examples of company performance and customer service for the Commission's consideration when evaluating the 2001 discretionary adjustment to the productivity offset.

- Promotion of consumer choice, impact on quality of life, promotion of universal service, economic development, efficiency and productivity, and telecommunications services in geographical areas with diverse income or racial populations as stated in Wisconsin Statute 196.03(6):
 - Introduction of Local Saver Packs and Solutions packages: Optional calling plans, bundled service offerings and alternative rate structures were offered to residential customers in October 2001.
 - Customer Privacy: SBC Ameritech Wisconsin has offered a "Do Not Call" list to customers for years. Innovative products such as Caller ID and Privacy Manager provide customers with additional privacy options.
 - USF LifeLine and LinkUp programs: Approximately 52,000 residential customers
 received LifeLine assistance credits from Ameritech Wisconsin during 2001 to stay on the
 public switched network. Over 19,000 residential customers received a waiver of nonrecurring charges through the LinkUp and Telephone Assistance Grant (TAG) programs
 from Ameritech Wisconsin during 2001 to return to the public switched network.
 - Ameritech Economic Excellence Awards: Twelve Wisconsin based community
 organizations received a total of \$100,000 during 2001 for innovative efforts that
 contributed to the state's economic development efforts. See attached news release for
 details.
 - \$723M investment in Wisconsin: Through infrastructure investments, charitable contributions, payroll taxes and 95,000 hours of volunteer community service, SBC Ameritech invested nearly \$723M in the state of Wisconsin during 2001. See attached news release for details.
 - E-Billing: Continued promotion of the on-line electronic billing service that saves customers time and money.

> Customer Satisfaction:

- 2001 PSCW Customer Complaint Improvements: The PSCW 2001 Complaints Report
 notes that customer complaints were down 23.6 percent from the prior year. While
 Ameritech Wisconsin serves more than 2.1 million access lines in Wisconsin, the PSCW
 received 4,304 complaints in 2001 of which 2,491 were considered unjustified by the
 Commission. The remaining justified complaints (1,695) were a significant reduction from
 the previous year's justified complaint total. The decrease in complaints was attributed to
 installation and repair service improvements realized in 2001.
- 2001 ARMIS Customer Complaint Improvements: According to the ARMIS 43-05
 Table V results, business and residence complaints per 1,000,000 access lines were
 down 44.6% in 2001, the best year-over-year improvement of any Wisconsin ILEC that
 reported results to the FCC.
- 2001 ARMIS Installation Commitments: According to the ARMIS 43-05 Table II results, Ameritech Wisconsin led all ARMIS reporting Wisconsin ILECs except Rib Lake Telephone in meeting business and residence installation commitments with a 99.22% commitment rate.

• 2001 ARMIS Customer Satisfaction Survey: According to the ARMIS 43-06 Table I(a) survey results, Ameritech Wisconsin's performance improved in all three survey categories (installation, repair, and business office response).

Customer Assistance Programs and New Service Offerings:

- TELCAP and M/TAPP: Ameritech Wisconsin partners with agencies such as Community Advocates and the Madison Community Action Coalition to provide debt counseling and/or funding assistance to low income customers. Under the M/TAPP program (Milwaukee Telephone Access Assistance Program), Ameritech Wisconsin forgives half of the consumer debt when the remainder is paid by the customer.
- Enhanced TTY Service: New service offered to TTY service representatives, enabling customers to get an immediate response when contacting customer service.
- Optional Calling Plans and Bundled Services Offerings: Introduction of the Local Saver Packs and Solutions packages provided alternatives to residential customers.

> Service Quality Items Not in the Price Cap Formula:

 Ameritech Wisconsin exceeded three additional service quality measures established in Chapter 165 of the Wisconsin Administrative Code:

Admin Code Reference	Objective	<u>Ameritech</u>
165.083(3) - Operator assisted calls	2.7 seconds	2.65 seconds
165.083 (4) - Directory Assistance answer	6.3 seconds	5.28 seconds
165.084 (1)(a) - Dial tone speed	98%	99.4%

> Customer Education:

- Consumer Alerts: Ameritech Wisconsin frequently distributes consumer alert messages through the media or customer bill inserts/messages. Examples of the consumer alert messages for 2001 are:
 - Check ISP access numbers: Message advised consumers to check their ISP "local" access number to avoid local toll or long distance charges. See attached media release for details.
 - Businesses urged to take action against phone fraud: Together with the Better Business Bureau, Ameritech Wisconsin alerted businesses equipped with PBX systems of a type of telephone fraud. See attached media release for details.
 - Additional media messages included: an alert to customers responding to email/phone calls/pages/voice mails to an "809" area code, an alert regarding consumer tips for protecting against identity theft, a virus alert to consumers regarding protecting their computers, and an alert to consumers warning against telephone donation scams in Wisconsin.
- **Diggers Hotline:** Issued bill message to remind customers to contact the hotline before digging in a continued effort to prevent damage to buried facilities.
- Go Paperless: Issued bill message to inform customers of the electronic billing option.
- Special Needs: Issued bill message to inform customers of special need services.
- 7-1-1 Service: Informed customers of the abbreviated dialing option for TDD services.

Infrastructure:

 In addition to meeting or exceeding all 5 infrastructure investment objectives for 2001, Ameritech Wisconsin invested over \$370 million during 2001 into the telecommunications network and capitalized asset infrastructure. This represents a 13.5% increase in capital expenditures over the previous year. Since January 1995, Ameritech Wisconsin has invested over \$1.7 billion in the telecommunications network in Wisconsin.

> Contributions and Community Involvement:

- Ameritech continued to invest in Wisconsin's community organizations, causes and events. These investments supported education, social development, health, antipoverty, job training, the arts and other state concerns. The following list highlights key investments made in Wisconsin communities and organizations during 2001:
 - > Boys and Girls Clubs of Greater Milwaukee support for the Ameritech CyberPlace youth technology initiative to develop computer literacy for disadvantaged youth.
 - > Cooperative Education Service Agency Foundation supports a homework hotline to provide free homework assistance for Wisconsin students and parents.
 - > Junior Achievement Wisconsin continued support of a success skills program.
 - Wisconsin Foundation of Independent Colleges supports summer faculty workshops to apply the use of technology in the classroom.
 - Zink the Zebra Foundation support for diversity education programs in schools throughout the state
 - Wisconsin Council on Economic Education support for elementary teachers' success with economics programs
 - Schlitz Audubon Center scholarship support for inner-city students to attend educational programming
 - Community Foundation for the Fox Valley Region support for business recruitment project that provides an area economic development kit to businesses looking to relocate in northeastern Wisconsin
 - Marquette University support the Institute for Teaching and Learning within the Tommy G. Thompson Center for Excellence in Education
 - Greater Milwaukee Committee for Community Development underwrites the SBC Technology Academy, a state-of-the-art community technology program within the new Bradley School of Technology and Trade
 - > Dane County Library Service grant for the Readmobile program bringing a mobile library unit to low-income neighborhoods in and around Madison
 - > EBTIDE, Inc. support for the Work Without Walls Project, which stimulates telework opportunities for disabled individuals
 - ➤ Rock County Opportunities Industrialization Center support for computer education and technology training project designed to teach beginning courses to low-income individuals

Ameritech Wisconsin September 1, 2001 Annual Price Cap Filing Docket 6720-Ti-174

PRICE CAP COMPONENT SUMMARY

	Price Cap Index Penalty (-)	Price Cap Index Incentive (+)	Total Price Regulated Revenue = \$208 M Annual
Quality of Service (See Note 1)	-0.57%	Not Applicable	-\$1,185,843
Infrastructure Investment (See Note 2)	0.00%	+1.10%	\$2,288,468
Wisconsin Advanced Telecommunications Foundation	0.00%	+0.00%	\$0
Commission Discretion (See Note 3)	TBD	TBD	TBD
Total Penalty / Incentive Adjustments	TBD	TBD	
Net Penalty / Incentive Adjustments		TBD	ТВО
Annual Change in GDPPI '(Chain-Type Weighted Index)	Estimate>	+1.04%	\$2,163,642
Productivity Factor Offset		-3.00%	-\$6,241,276
Total Price Cap Index Adjustment	Price Cap Index = TBD	ТВО	<u>IBD</u>

Note 1: Installation Interval -0.11%

Average Time Out of Service -0.23% Percent Repeat Trouble Reports -0.23%

Trbl. Rpts per 100 Als 0.00% Average Repair Answer Time -0.00%

Average Business Office Answer Time -0.00%

Final Trunk Group Blockage 0.00%

Note 2: New Technologies/Applications +0.20%

Service Improvement Capital +0.10%

Fiber in the Loop 0.00%

Interoffice New Routes +0.40%

Titan X-Connects +0.40%

Note 3: PSCW assigns the commission discretion penalty or incentive based upon factors defined in PSC Chapter 163.

News Release



For more information, contact: Lisa Claybon 414.520.3535 Phone 888.492.0219 Pager

SBC AMERITECH INVESTS \$723 MILLION IN WISCONSIN DURING 2001

Year-End Report Reveals Combined Impact of SBC's Business Operations, from Employment and Network Investments to Charitable Contributions

Milwaukee, Dec. xx, 2001 – SBC Ameritech has long served the state of Wisconsin as a dedicated neighbor, sharing in the community's challenging and prosperous times, alike. This year, despite the weak economy, SBC has continued its partnership with Wisconsin by investing more than \$723 million in the state through a variety of business, economic development and philanthropic initiatives.

SBC's commitment to Wisconsin during the past year includes:

- More than \$330 million in technology infrastructure improvements to offer a greater array of services to Wisconsin consumers, including high-speed data;
- Nearly \$3.2 million in charitable contributions to initiatives focusing on technology access, economic development and education;
- Nearly \$390 million in taxes paid and employee payroll;
- 95,000 hours in volunteer efforts through the SBC Pioneers.

"SBC's commitment to supporting the communities in which we live and operate is more important now than ever before," said Paul La Schiazza, president, SBC Ameritech Wisconsin. "In this challenging economic climate, we must ensure the continued development of our communities and delivery of excellent customer service in Wisconsin. We will continue to be there for our customers and neighbors."

SBC Invests in Wisconsin/Page 2

Investing in Wisconsin Residents

Part of SBC's investment throughout the state is in its people. SBC employs more than 6,700 Wisconsin residents, and has a state payroll exceeding \$320 million. Furthermore, SBC gives upwards of \$70 to critical state programs through annual taxes paid.

Investing in Wisconsin's Technology Future

As part of SBC's ongoing network infrastructure investment program, designed to enhance service to all Wisconsin residents, the company invested more than \$300 million in its central offices and surrounding telecommunications infrastructure in 2001. By investing in Wisconsin technology, SBC provides the latest in communications capabilities, equipping the state and its residents for success now and in the future.

SBC reaches Wisconsin residents through more than 2.2 million access lines, and this year the Wisconsin employees of SBC introduced new products and services to meet the needs of Wisconsin consumers.

Investing in Wisconsin Communities

SBC this year has already given nearly \$3.2 million to Wisconsin's charitable organizations through its philanthropic arm, the SBC Foundation, corporate contributions and other community investments.

Through its philanthropic outreach and efforts of SBC's nearly 200,000 strong volunteer organization, the SBC Pioneers, the company stepped up this year to serve Wisconsin in times of greatest need.

The SBC Pioneers donated nearly 95,000 hours of their time throughout the state, equating to roughly \$1.3 million in sweat equity.

-more-

SBC Invests in Wisconsin/Page 3

Pioneer activities included the *Safe Connections* program, which teaches children the basics of calling 911 and helps them remember the proper way of using the emergency number, and the *A Book About ME!* program, which distributed personalized books to kindergartners to foster self-esteem. This year, the programs reached thousands of students.

Nationally, SBC, through corporate and Foundation giving, already has contributed more than \$84.9 million to community organizations in 2001. Nearly \$60 million of this was through SBC Foundation grants.

In the aftermath of the Sept. 11 disaster, SBC contributed \$1 million to the New York Times Fund and another \$1 million to various relief organizations by matching dollar-for-dollar the contributions made by the company's more than 390,000 employees and retirees.

Responding to Wisconsin Communities in Times of Disaster

SBC moved more than 100 technicians into Oshkosh and surrounding communities in June 2001, when severe storms ripped through the area causing the governor to declare a state of emergency. SBC technicians worked tirelessly to replace nearly 90 telephone poles, 6,000 feet of cable, 300,000 feet of wire and repair underground cables, in an effort to quickly restore service to more than 3,000 customers,

SBC Ameritech is a brand of **SBC Communications Inc.** (www.sbc.com) is one of the world's leading data, voice and Internet services providers. Through its world-class network and its subsidiaries' trusted brands – SBC Southwestern Bell, SBC Ameritech, SBC Pacific Bell, SBC Nevada Bell, SBC SNET and Sterling Commerce – SBC companies provide a full range of voice, data, networking and e-business services, as well as directory advertising and publishing. A Fortune 15 company, America's leading provider of DSL high-speed Internet service, and one of the nation's leading Internet Service Providers, SBC companies currently serve more than 60 million access lines nationwide. In addition, SBC owns 60 percent of America's second largest wireless company — Cingular Wireless — which serves more than 21 million wireless customers. Internationally, SBC has telecommunications investments in 28 countries.



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Twelve local Wisconsin organizations to share \$100,000 in SBC Ameritech economic excellence awards

SBC Ameritech created the awards to spur economic growth statewide

Madison, Wis., December 4, 2001 – SBC Ameritech today recognized 12 community organizations for innovative efforts to contribute to the state's economic development and presented them with a total of \$100,000, in awards of \$5,000 and \$10,000. The SBC Ameritech Economic Excellence Awards program, now in its second year, is a statewide competition developed to help stimulate economic development in communities across Wisconsin.

"The focus of the SBC Ameritech Economic Excellence Awards is to help communities create and maintain economic growth," said Paul La Schiazza, president, SBC Ameritech Wisconsin. "We are committed to the communities where we live and work. These grants make our neighborhoods stronger by helping local organizations provide a wide variety of economic tools and opportunity from encouraging entrepreneurship to providing job training assistance."

2001 Award recipients include:

- CAP Services, Stevens Point, Wis. will receive \$10,000 to offset costs for participants in the Skills Enhancement Program. The Skills Enhancement Program works to increase the economic self-sufficiency of working-poor households in Outagamie, Portage, Waupaca and Waushara counties. CAP Services provides a variety of community resources including financial support for short-term classes or training, job search assistance, access to community resources and family unity programs.
- Chippewa Falls Main Street, Inc., Chippewa Falls, Wis.
 will receive a \$5,000 award to conduct a market analysis of
 the area to provide current and prospective small business
 owners with local market information that will include past
 retail sales and will present retail and service-related business
 opportunities. The Chippewa Falls Main Street Program seeks
 to improve the community's quality-of-life by strengthening
 the downtown center of business.
- City of Mequon, Village of Thiensville & Mequon-Thiensville Chamber of Commerce, Mequon, Wis., will receive \$10,000 for town center planning activities to

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- revitalize the common corridor along Cedarburg Road, and create a Milwaukee Riverfront civic plaza and a public gathering place for town center activities.
- Forward Wisconsin, Inc., Madison, Wis., has been awarded \$10,000 to create SitesWI.com, a stand-alone online resource for businesses seeking available buildings and sites in Wisconsin. Forward Wisconsin is a public-private organization whose mission is to attract new businesses, jobs and increased economic activity to the state.
- Fox Cities Economic Development Partnership, Appleton,
 Wis. has been awarded \$5,000 to upgrade its Web site, a
 primary promotional tool, and expand the information
 available on industrial parks, allowing prospective businesses
 to see which lots are open and view their potential business
 neighbors. The Fox Cities Economic Development Partnership
 works to foster the Fox Cities economic development by
 creating and implementing marketing programs that promote
 the area as an attractive location for business and industry.
- Harambee Ombudsman Project, Inc. (HOPI), Milwaukee, will use the \$5,000 award to purchase tools and uniforms for its Operation Fresh Start Program. The program works with young adults with barriers to self-sufficiency by providing them with the resources and support they need to be successful -- including daily motivation, access to health care, introduction to independent living skills, career assistance and additional vocational direction. The Harambee Ombudsman Project is an inner-city community infrastructure that works to increase educational opportunities for its residents, reduce crime, strengthen families and revitalize this ethnically diverse Milwaukee community.
- Milwaukee Center for Independence, Milwaukee, will receive \$10,000 to provide services for children, adults and families with disabilities to enhance their economic development and self-reliance. The SBC Ameritech Economic Excellence Award will help fund the Employment Service Program, which provides assessment, skill development and job placement services for people with physical and mental disabilities.
- Northwest Side Community Development Corporation,
 Milwaukee, receives \$10,000 to help expand the agency's
 Supplier Linkage Project to provide improved
 telecommunications infrastructure to small businesses on
 Milwaukee's northwest side. They will enable 13 small
 businesses 11 of which are minority-owned to develop an
 Internet presence and more easily contract with large
 corporations. The Northwest Side Community Development
 Corporation is a leader in technology among community-based
 organizations in Milwaukee.

- west Central Wisconsin Community Action Agency, Inc., Menomonie, Wis., has been awarded \$10,000 to develop the Common Ground Market, a public market to support local economic development. The creation of a public market in Menomonie will provide affordable retailing opportunities to small businesses, enhance the direct buyer/seller relationship and help increase customer traffic to downtown Menomonie.
- Wisconsin Business Incubation Association (WBIA), Milwaukee, will receive \$5,000 for a regional conference to provide continuing education for rural mixed-use and urban empowerment business incubators. WBIA is a professional statewide association that provides a means for its members to educate, communicate and obtain mutual support in order to develop and promote effective business incubation. The association, representing 51 members and 33 incubators, is the fourth largest in the country.
- Wisconsin Rural Partners, Inc., Lodi, Wis. has been awarded \$10,000 to support the Community Resource Team Program that will help rural communities make an objective assessment of their socio-economic challenges. The free program will then provide a community-based assessment, recommendations that address a community's specific issues and follow-up support. Wisconsin Rural Partners serves as the state's rural development council, bringing public and private sector partners together to address rural issues.
- Work for Wisconsin, Inc., Milwaukee, will use the \$10,000 award to help fund its Skilled Industrial Trades Retention
 Project. The project aims to reduce in-training and employment attrition among economically disadvantaged minorities in skill industrial trade occupations, such as in the manufacturing and automotive industries.

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For more information, contact:

Lisa Claybon SBC Ameritech Randall L. Hoth Better Business Bureau Serving Wisconsin

414.520.3535 Phone 888.492.0219 Pager 414.847.6010 Phone

CONSUMER ALERT BUSINESSES CAN TAKE PRECAUTIONS AGAINST PHONE FRAUD

Milwaukee, December 17, 2001 – SBC Ameritech and the Better Business Bureau are warning businesses equipped with PBX systems of a type of telephone fraud that while not new, seems to be growing and can potentially cost victims thousands of dollars. The fraud most frequently occurs when a criminal successfully convinces the business' PBX operator, or any employee, to transfer the call to a non-existent extension or requests assistance to check a phone line, which, in reality, gives them access to an outside line.

Types of Businesses Targeted

The criminals like to target businesses with a PBX system or those with a staff of employees the company's telephone operator wouldn't always recognize by name or sight. Hospitals, law enforcement/government agencies, insurance companies, telemarketing companies, banks and hotels are a few examples.

What to Watch For

- Be suspicious of anyone calling and claiming to be a local telephone or long-distance company employee. Fraudulent callers frequently misrepresent themselves as a representative of SBC or other telecommunications company who needs to test a line. Service technicians from any reputable telecommunications company would never have a reason to do this. If you are ever in doubt about someone claiming to be with SBC, hang up and call your local SBC business office.
- Beware of requests for transfers to 900 or 800 extensions. This may give a caller the ability to make additional phone calls through the business system or may connect the caller to a long-distance service operator.
- Watch for criminals who pose as company employees and ask to be transferred to a longdistance operator. Once connected, they will seek the assistance of the long-distance operator in placing long-distance and international calls.
- Beware of fraudulent callers who ask for an extension number within the business, say they have reached the wrong extension and ask to be transferred back to the operator. (When received by the operator it appears to be an in-house transfer.) The fraudulent caller will then ask to be transferred out posing as a company employee.
- Listen for background noise as an indicator that the call is from outside of the business (e.g., cars, trucks, street noise that indicates the call is coming from a pay phone).
- Be leery of requests for outside lines or transfers after hours, on weekends or during lunch when the majority of employees are gone.

SBC Ameritech and Better Business Bureau Consumer Alert/Add one

Ways to Prevent Fraud

- Have the PBX system blocked from transferring to outside lines or advise employees not to transfer anyone to an outside line. If a company decides to allow call transfers, a structured policy should be put into place with regularly scheduled training.
- Configure the PBX system to require that a company employee remain on the line when setting up conference calls with outside parties.
- Verify that your long-distance provider has the capability to monitor your call traffic and notify you
 of exceptionally high volumes, after-hour high volumes and calls to well-publicized, high-fraud
 locations.
- Do not dispose of organizational charts with employees' names and telephone numbers in public dumpsters.
- When establishing a company calling policy, consider restrictions such as callbacks, passwords, calling cards or even pre-paid phone cards versus a system under which a traveling employee can dial an 800 number into the company system, enter a pass code and obtain an outside line.
- Ensure your telephone provider has around-the-clock contact information for an employee entitled to make telecommunications decisions.
- Instruct all night staff, security personnel or cleaning staff to avoid accepting any telephone instructions from an unknown outside caller.

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News Release



For Information Contact: Lisa Claybon, 414.520.3535 888.492.0219 Pager

CONSUMER ALERT

SBC Ameritech Urges Consumers to Check their Local Access Numbers Before Surfing the Internet to Avoid Unexpected Charges

MILWAUKEE (December XX, 2001) – SBC Ameritech is urging consumers to double-check "local" access numbers for their Internet service providers to avoid running up unwanted toll or long distance charges when surfing the 'Net.

Most Internet Service Providers (ISPs) provide customers with information on local access numbers. But it is still up to the consumer to verify that the number they're dialing into is truly "local." Consumers who do not check the number before connecting to the Internet run the risk of incurring unexpected phone charges. Wisconsin residents should make sure the number does not fall into the adjacent exchange, interzone or local toll calling areas because those calls are billed per minute versus local calls, which are billed per call.

Local Access Number Verification Tip: Before using a new dial-up number for your ISP, verify that the number is a local call from your location.

SBC is providing two easy ways for customers to verify whether their ISP's access number is local:

- Customers can check the Ameritech Web site to make sure they're dialing into a local access number. From www.ameritech.com, customers can select "Local Calling Area."
- 2. Customers may also call SBC at the number listed on their bill and verify with a customer service representative.